March 13, 1995

TO:

File

FROM:

Joelle Burns, Engineering Tech

RE:

Status of File Numbers, Flint/Fraction/Cruz, \$\frac{\$027/017}{017}, and Bud #1, \$\frac{\$027/050}{050},

Millard County, Utah

Today, I received a phone call from Steven Hodges regarding the annual reports for his mining operations. He stated that he was located on BLM lands. He then asked why were we sending him requests for reports. I explained the reasons to him.

Mr. Hodges stated that the Flint/Fraction/Cruz claims were no longer his; that he had quit claim deeded them back to Lee Oertle. He stated that he did not do any work while the claims were under his name, but since that time, Oertle's have done work. Mr. Hodges stated that the BLM had documented the disturbance with photos and they are aware that Oertle's have done the disturbance.

Since this time, Mr. Hodges submitted another notice for the Bud #1. The Division was going to amend this notice to the Flint/Fraction/Cruz (S/027/017) because they were in the same vicinity. However, a new number was inadvertently assigned the Bud #1 notice (S/027/050).

I telephoned Rody Cox of the BLM this morning to discuss this situation with him. He stated that Mr. Hodges had started the process of transferring the claims back to Mr. Oertle for the Flint/Fraction/Cruz and that Mr. Oertle had indeed done the disturbance. However, the paperwork was never finalized with the BLM; therefore, Mr. Hodges name is still on record as owner of the claims. If the Oertle's do not reclaim the project, Mr. Hodges will be held responsible for the reclamation by the BLM (as he is the claim holder of record).

Mr. Cox stated that a new number was assigned the Bud #1 project, because Mr. Hodges was indeed the operator of this project and Mr. Oertle was the operator on the Flint/Fraction/Cruz. The two different numbers would distinguish the two projects being performed by two different operators.

Hopefully, this memo will clear up why there are two different numbers for these two projects, even though they are in the same vicinity and our letter of 2/23/94 stated that the Bud #1 would be amended to the Flint/Fraction/Cruz file.